

October 07, 2024

**SOLICITATION FOR PROPOSALS  
FOR AN ACTIVE INTERNATIONAL EQUITY GROWTH INVESTMENT MANAGER**

You are invited to submit proposals in accordance with the requirements of this solicitation, contained herein, to provide an active international growth strategy in primarily developed markets to the Oklahoma Law Enforcement Retirement System (the System). Respondents to this proposal are required to comply with the bid procedures as set forth in this solicitation pursuant to the Competitive Bid Standards attached hereto as Appendix A. Failure to comply with the bid procedures may render the bid invalid. Finley & Cook, PLLC is the independent CPA firm that has been contracted by OLERS to accumulate the proposals submitted and provide the proposals to the OLERS Board of Trustees.

Proposals should be submitted electronically to Finley & Cook at the following email address:

[OLERSInternationalEquitySearch2024@Finley-Cook.com](mailto:OLERSInternationalEquitySearch2024@Finley-Cook.com).

**In addition, please transmit an electronic version of the response and all accompanying documents to Asset Consulting Group at [ACGOLERSInternationalEquitySearch2024@acgnet.com](mailto:ACGOLERSInternationalEquitySearch2024@acgnet.com).**

An electronic copy of your response to this solicitation along with an electronic copy of the latest Form ADV, as filed with the Securities and Exchange Commission must be received from each respondent at both email addresses stated above no later than **4:00 p.m. central time on November 13, 2024**. Only those responses submitted and received in a timely fashion at the email addresses above will be considered. Responses received after this date and time will not be considered.

This solicitation does not commit the System or the State of Oklahoma to award a contract, or contracts, to pay any costs incurred in the preparation of a proposal, or to procure or contract for goods or services. The System reserves the right to accept or reject any or all proposals received as a result of this solicitation, to negotiate with all qualified respondents, to cancel in part or in its entirety this proposal if it is in the best interest of the System to do so, or to award all, part or none of this contract or contracts. The contract or contracts will be awarded by the System from a list of qualified respondents.

The System will not hold a pre-bid conference. The System will respond to questions that are presented in writing. These questions will be consolidated into a single Q & A document, which will be distributed upon written request. Potential respondents do not have to submit

questions to receive the completed Q & A sheet. Questions are due October 18, 2024 and may be faxed to 405-522-5004. The Q & A sheet will be returned on or about October 25, 2024.

**An electronic version of the questionnaire may be requested by e-mail at [Duane.Michael@olers.ok.gov](mailto:Duane.Michael@olers.ok.gov)**

## **SECTION I - INTRODUCTION AND BACKGROUND**

A. Legal Authorization The System was created to hold and manage the Oklahoma Law Enforcement Retirement System and to provide retirement and pension benefits for the eligible law enforcement agents of the State of Oklahoma. The System's statutory investment authority is set forth in 11 O. S. Section 47-200.

B. State Board The System is administered by the State Board. The State Board is comprised of thirteen (13) members including a designee by the Commissioner of Public Safety, the Director of the Oklahoma Office of Management and Enterprise Services or his/her designee, three (3) members to be appointed by the Governor one of whom shall be a retired member of the System, one (1) member to be appointed by the Speaker of the House of Representatives, one (1) member to be appointed by the President Pro-Tempore of the Senate, two (2) members of the Highway Patrol Division and one (1) member of the Communication Division of the Department of Public Safety, one (1) member of the Oklahoma State Bureau of Investigation, one (1) member of the Alcohol Beverage Laws Enforcement Commission, elected by and from the membership of the System. **The members of the State Board shall not be contacted directly by respondents.**

C. Administrative Support The System has a staff of five (5) persons supervised by an Executive Director. The Executive Director manages the day-to-day financial operations of the System. The Executive Director reports transactions and investment developments to the Investment Committee of the State Board as directed by the State Board. The Executive Director is Duane Michael.

The current master custodian is Northern Trust, Chicago, Illinois. The investment consultant is Asset Consulting Group, St. Louis, Missouri.

D. Actuarial Condition The System's actuary is Cavanaugh McDonald, Dallas, Texas. The July 1, 2023 actuarial valuation reported the actuarial value of assets at \$1,178.5 million and actuarial accrued liability of \$1,440.1 million. Actuarial assets as a percent of actuarial accrued liabilities are calculated at 81.8%.

E. Investments The System is charged with the duty of administering the investment of approximately \$1.2 billion, which represents the total pension funds of all the eligible law enforcement agents in the State of Oklahoma. The System currently uses only external fund managers. The current asset allocation target is 17.50% domestic large cap equity, 10% domestic small cap equity, 15% international equity, 5% emerging markets equity, 25% fixed income, 12.50% real estate, and 15% private equity.

## **SECTION II - QUALIFICATIONS OF THE INTERNATIONAL EQUITY GROWTH INVESTMENT MANAGER**

It is desirable, but not a minimum requirement, that the investment firm or its principals have \$300 million in assets under management in an international growth equity strategy in primarily

developed markets and the investment firm or its principals have a three-year GIPS compliant track record through June 30, 2024. It is a requirement that the investment firm or its principals have a current Form ADV as filed with the Securities and Exchange Commission.

**SECTION III - DUTIES AND RESTRICTIONS OF THE INTERNATIONAL EQUITY GROWTH INVESTMENT  
MANAGER**

- A. The selected international equity growth investment manager will provide, at a minimum the following services:
1. Quarterly reports for the most recent quarter. Reports will be furnished in quantity sufficient for the needs of the State Board and staff. Portfolio performance will be shown both gross and net of the investment manager fees.
  2. The investment manager will attend one regularly scheduled monthly meeting of the State Board a year. The selected investment manager will be notified of the dates they are to attend.
  3. The investment manager will report directly to the State Board and the Executive Director of the System. However, the investment manager will also be responsible for maintaining direct communication with the System's staff, investment consultant and master custodian.

**SECTION IV - PERIOD OF CONTRACT**

The contract or contracts to be awarded are anticipated to be for a period to be determined later. The contract or contracts will further provide for four additional annual renewals upon mutual agreement between the System and the investment management firm. The State Board reserves the right to terminate the contract or contracts upon 30 days' notice, with or without cause.

**SECTION V - SUMMARY**

- A. The amount to be allocated to the selected manager or managers as of August 31, 2024 is expected to be within a range of \$75,000,000 to \$85,000,000.

- B. Please complete and submit the attached questionnaire and exhibit A to the questionnaire.
- C. Please submit a sample copy of your contract or subscription agreement.

D. The following timeline is an estimate and may be adjusted at OLERS discretion any time during this procurement process.

Task	Date
Distribution of RFP/posting of RFP on OLERS Website	October 07, 2024
Questions submitted by potential respondents	October 18, 2024
Q&A sheet posted	October 25, 2024
Proposals due (no later than 4:00 p.m. Central Time)	November 13, 2024
Potential presentations to the Board	TBD
Estimated contract start date	TBD

- E. Any firm selected to make a formal presentation to the State Board should have the person lead the presentation that will be the primary investment manager contact to the System. Responsible persons who will be assigned to the System's account are encouraged to attend the presentation.
- F. The State Board reserves the right to request additional information from any respondent and to accept or reject any or all bids without specifying the reasons for its actions. The State Board reserves the right to request additional bids. The State Board specifically reserves the right to negotiate for lower fees at any time with any respondent.
- G. The State Board also reserves the right to award all, part or none of this contract or contracts. The State Board may elect to select more than one international equity growth manager and to divide the duties set forth herein between the selected investment managers.
- H. This solicitation and the response to this solicitation by the successful firm or firms will become a part of the investment manager contract or contracts with the System.
- I. The winning bidder will be required to deliver an executed Energy Discrimination Elimination Act Certification as a closing deliverable (see exhibit A), which will be held in escrow pending resolution of the injunction.

**CERTIFICATION OF COMPANY  
ENERGY DISCRIMINATION ELIMINATION ACT**

In accordance with 74 Okla. Stat. § 12005, Oklahoma state agencies and political subdivisions may not enter into a contract with any Company with ten or more full-time employees for goods or services for which the Company will receive payment of one-hundred thousand dollars (\$100,000.00) or more, unless such Company provides written verification that it does not boycott energy companies and will not boycott energy companies during the term of the contract.

Additionally, Oklahoma state retirement systems may not enter into a contract with any Listed financial company or acquire securities of a financial company determined to be boycotting energy companies per the list provided by the Oklahoma State Treasurer under 74 Okla. Stat. § 12003.

“Company” means a for-profit sole proprietorship, organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or limited liability company, including a wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of those entities or business associations, that exists to make a profit.

“Financial company” means a publicly traded financial services, banking, or investment company.

“Listed financial company” means a Financial company listed by the Oklahoma State Treasurer pursuant to 74 Okla. Stat. § 12003.

“Boycott energy company” means, without an ordinary business purpose, refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations with a Company because the Company:

- a. engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil-fuel-based energy and does not commit or pledge to meet environmental standards beyond applicable federal and state law, or
- b. does business with a Company described by subparagraph a above.

As a contractor entering into a contract with Oklahoma Law Enforcement Retirement System, a retirement system and agency of the State of Oklahoma, by its signature below, the undersigned verifies that the Company listed below does not currently Boycott energy companies and will not Boycott

energy companies during the term of the contract. Additionally, the signature below verifies that the Company listed below is not a Listed financial company as of the date of this Certification.

DATED this \_\_\_\_ day of \_\_\_\_\_, 2024.

[SIGNATURE BLOCK]

### **Section VI - Mandatory Requirements for Submitting a Proposal**

A. Respondent should be aware that all proposals submitted in response to this solicitation, including any materials provided by a finalist to the State Board at an in-person meeting, shall become the exclusive property of the System and shall be subject to public disclosure pursuant to the Oklahoma Open Records Act (51 O.S. Section 24A.1 *et seq.*). The System shall keep the proposals received pursuant to this solicitation confidential until a contract is awarded, or the solicitation is cancelled. This practice protects the integrity of the competitive bid process and prevents excessive disruption to the procurement process under 51 O.S. Section 24A.5(6). Thereafter, the proposals shall be accessible to the public for inspection. There are specific exemptions to disclosure under the Open Records Act. If a respondent wishes to seek an exemption from disclosure under the Open Records Act, it is the responsibility of respondent to assert any right of confidentiality that may exist. The System will not make that assertion on behalf of respondent. Absent a judicial determination that the proposal is exempt from disclosure, respondent should assume it will be subject to inspection.

B. All costs of preparation and presentation associated with a response to this solicitation will be the responsibility of respondent. Respondents may be asked to make a presentation before the State Board, at their own expense, if selected as a finalist.

C. Respondent shall be bound by the information and representations contained in any proposal submitted. The proposal is deemed to be a binding offer on the part of respondent.

D. Submission of a proposal in response to this solicitation evidence's respondent's acceptance of the terms and conditions contained within the solicitation, including, but not limited to, the prohibition against limitation of liability and indemnification provisions in favor of

respondent discussed in Section VI, G.5 and the requirement that all contracts be governed by Oklahoma law as discussed in Section VI, G.1.

E. By submitting a response to this solicitation:

1. Respondent and any subcontractor certifies to the best of their knowledge and belief, that they and their principals and participants:
  - a. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by and Federal, state or local department or agency;
  - b. Have not within a five-year period preceding this proposal been convicted of or pled guilty or had a civil judgment rendered against them for: (i) commission of fraud or a criminal offense in connection with obtaining, attempting to obtain or performing a public (Federal, state or local) contract; (ii) a violation of Federal or state antitrust statutes or Federal or state securities laws, statutes, rules, codes or regulations; or (iii) commission of fraud, embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
  - c. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, state or local) with commission of any of the offenses enumerated in subparagraph b above; and
  - d. Have not within a three-year period preceding this Solicitation for Proposals had one or more public (Federal, state or local) contracts terminated for cause or default.
2. When respondent is unable to certify to any of the statements in this certification, such respondent shall attach an explanation to its solicitation response.

F. The System requires that any respondents who pay or expect to pay a finder's fee in any form in relation to this solicitation disclose the payment of such finder's fee to the System. If no disclosures are made, respondent will be expected to certify that no finder's fee or finder's commission have been paid nor will be paid to any individual or organization from the establishment of this investment relationship with the System.

G. All respondents must:

1. Agree that this solicitation and any resulting contract and services shall be governed in all respects by the laws of the State of Oklahoma, and any litigation with respect thereto shall be brought in the State District Court sitting in Oklahoma County, Oklahoma or the Federal District Court sitting in the Western District of Oklahoma. Respondent shall comply with all applicable federal, state and local rules, laws and regulations.
2. Fully disclose any proposed subcontracting of any of the required services.
3. Acknowledge and agree to be a fiduciary to the System under 47 O.S. Section 2-303.2 to the extent it exercises any discretionary authority or control over the assets of the System or renders investment advice.
4. Certify that their bids/proposals are made without collusion or fraud and that they have not offered or received any kickbacks or inducements from any other respondent, supplier, manufacturer or subcontractor in connection with their bid/proposal. Respondents must certify that they have not conferred on any public employee having official responsibility for this procurement any payment, loan, subscription, advance, deposit of money, services or anything of value, in exchange for procuring this contract.
5. Agree that the contract between the successful respondent and the System will not contain any terms limiting the liability of respondent or providing indemnification by the System in favor of respondent or third parties. By submitting a proposal, respondent will be deemed to acknowledge and agree that the State of Oklahoma and its agencies are prohibited from holding an individual or a private entity harmless from liability or providing indemnity to a private entity or individual. Any attempt by respondent to add indemnification or limitation of liability provisions in favor of respondent (or third parties) to the definitive contract may render respondent's proposal non-responsive and subject to rejection.

H. Respondent must agree to maintain all records pertaining to the transactions effected by the System during the term of the agreement between respondent and the System and for a period of seven (7) years following completion and/or termination of the agreement. If an audit, litigation, or other action involving such records is started before the end of the seven (7) year period, the records are required to be maintained for three (3) years from the date that all issues arising out of the action are resolved or until the end of the seven (7) year retention period, whichever is later. The System and its agents, consultants and attorneys must be given reasonable access to the records during this period.

As used in this clause, "records" includes books, documents, accounting procedures and practices, and any other data, regardless of type and regardless of whether such items are in written form, in the form of computer data, or in any other form. In accepting any contract with the State, the successful bidder(s) agree that the System, the State Board, the Oklahoma State Auditor and Inspector, the State Purchasing Director and any of their successors, assignees or designees will have the right to examine and audit all records relevant to the execution and performance of the resultant contract.

## **SECTION VII - QUESTIONNAIRE**

**Strategy Questionnaire**  
**International Growth Equity Manager (Primarily Developed Markets)**

---

**Firm:** \_\_\_\_\_

**Street Address:** \_\_\_\_\_

**City, State Zip:** \_\_\_\_\_

**Strategy Name:** \_\_\_\_\_

**Contact Name:** \_\_\_\_\_

**Telephone:** \_\_\_\_\_

**Contact E-Mail:** \_\_\_\_\_

**Firm Website:** \_\_\_\_\_

**Please answer all the questions below. IN ADDITION - PLEASE COMPLETE EACH TAB IN THE EXCEL SPREADSHEET.**

**Organization Information**

1. Please provide a brief history of your organization. Please include the month and year the organization was founded, how long the organization has been in business under its present name and current ownership structure (% privately owned, % publicly owned, limited partnership, etc.). Please provide the most recent detailed firm organizational chart.
2. Describe any joint ventures or affiliations, including any ownership your firm or any entity under your control may hold in partnerships and/or other investment firms.
3. Please outline your current capital structure including details on total debt and any upcoming refinancing needs.
4. Describe any changes in the structure of the firm over the past five years.
  - (a) Are there any structural changes contemplated?
  - (b) Briefly outline your business plans including succession plans.
  - (c) Identify specific owners who own more than 15% of your firm.
5. How many offices does your firm have and where investment decisions are made? Where is the firm's corporate headquarters located?
6. Is the firm registered with any regulatory agency, such as the SEC, CFTC, or any state agencies?
  - (a) Provide a copy of the most recent disclosure statement (e.g., ADV parts 1 and 2) required by any regulatory agency (or agencies) with which the firm is registered, such as the SEC, CFTC, or state agencies (if you have not previously sent a copy of your ADV to ACG in the past 12 months).
  - (b) Provide a summary of any regulatory issue, investigation, sanction, or similar matter the firm had during the last five years.
  - (c) State whether, during the last five years, any regulatory agency has conducted an audit or review of the firm.
  - (d) If such an audit or review was conducted, discuss any significant findings by the regulator.

- (e) Provide a copy of any deficiency letter or similar letter or report regarding such a regulatory audit or review.
  - (f) Describe what actions were taken by your firm to correct any deficiencies.
  - (g) Provide a description of any material litigation involving the firm or any of its principals during the last ten years, including the nature of the litigation, the parties, the court, cause number, and the current status.
7. Is your firm or any subsidiary, affiliate or related entity of your firm the subject of an investigation being conducted by the Securities and Exchange Commission, any State Attorney General, or other similar US or non-US entity?
8. Does your firm have or have had any solicitation agreements, placement arrangements or pays any other type of selling compensation to third parties related to assets placed for your firm, and if so, describe the nature of those agreements.

### **Operations**

9. Please describe the size, structure and functions governed by your operations department. Please note if it is in-house or outsourced.
10. Please describe your procedures as it relates to reconciliation of portfolio transactions, holdings, cash levels, third-party performance calculations, and bank statements. Please note the frequency of and the systems in place to complete such reconciliations.
11. How do you handle issues related to allocations between customized separate accounts and your commingled funds? Please provide a copy of the firm's allocation policy.

### **Personnel Information**

12. Please provide a firm-wide organizational chart.
13. Describe your training procedures for Portfolio Managers, Traders, and Research Analysts. What types of ongoing education programs do you encourage?
14. How are Portfolio Managers and Analysts compensated? What steps are taken to ensure retention of individuals?
15. Are team members encouraged to invest personal assets in any of the firm's strategies? Please provide details including strategies invested and level of ownership.
16. Has the firm adopted a formal compliance policy and/or a code of ethics for employees? If yes, please provide a copy of such policies (if you have not previously sent a copy to ACG in the past 12 months).
17. Does the firm have a written equal employment opportunity, affirmative action, and/or diversity/inclusion (or similar) policy? If so, can you please provide a copy?

### **Information Technology**

18. How many IT professionals are employed by the firm?
19. What percentage of firm's total annual budget is dedicated to IT spending?

20. Do you develop software/programs internally or rely on pre-packaged software solutions provided by third parties?
21. Please list all IT software/hardware assets as part of your IT infrastructure and provide a description of each and its function or purpose.
22. Please provide an overview of your IT back-up procedure.
  - (a) How often are backups performed?
  - (b) Are your IT servers located on site?
  - (c) Are any system back-ups stored offsite?
23. Do you have an IT disaster recovery plan in place?
24. Does your firm have a data breach protocol in place? Please provide details.
25. Have you undergone an SEC cyber-security examination? If yes, provide a summary of the results or comments from that examination?

### **Strategy Information**

26. Please describe the investment team personnel as well as specific roles and responsibilities of each team member. Please provide a team organizational chart.
27. Where is the team located for this strategy?
28. Briefly describe your investment philosophy. How has it changed over the past five years?
29. How would you describe this strategy from a style perspective? (Momentum/Aggressive Growth, Growth, GARP, Value, Relative Value, Deep Value, etc.)
30. Please describe your stock selection process; at a minimum, outline the universe of securities from which selections are made, how the universe is narrowed, the criteria used for inclusion, how many securities are followed closely, who is involved in each step and who makes the final decision. How has it changed over the past five years?
31. Describe how much security research is generated internally vs. research obtained from outside the firm. What external sources do you use for research?
32. Does your strategy incorporate any top-down or macro analysis into the process? Please describe how sector, country or regional weighting is utilized in the investment process. Can you quantify how much value this top-down analysis has added over time?
33. Please describe your approach to emerging markets. How has it changed over the past five years? Do you consider frontier markets? What is the five-year average weight of emerging markets in the strategy? What is the maximum emerging market allocation allowed?

34. Please include any specific portfolio construction parameters. What are the liquidity requirements for small cap developed non-US, small cap emerging markets and frontier markets equities? How have each of these segments performed over time? Can you quantify how much value this portion of the portfolio has added over time?
35. Describe your portfolio construction parameters, including sector/industry, region/country (if applicable), market cap and position size. Include constraints on minimum/maximum percentage allocations (or over- / under-weightings versus the most appropriate index).
  - (a) Who makes these policies?
  - (b) How are the policies implemented?
  - (c) How is the portfolio manager supervised?
36. Describe any optimization or risk control techniques used in the portfolio construction and portfolio monitoring process. Specifically, please identify the frequency that risk reports are created, the systems used to manage risk, and whether scenario analysis or stress testing is done on the portfolios.
37. Describe your sell decision process, including any automatic sell disciplines.
38. Discuss your trading process; what aspects do you feel are unique? Address any liquidity issues associated with this strategy.
39. Is there a dedicated Trader associated with this strategy? Do any of the Portfolio Managers or Analysts have trading responsibilities? Do any of the Traders have portfolio management or analyst responsibilities?
40. Describe your firm's brokerage direction policy. Does your firm have any broker/dealer affiliation? If so, how are trades allocated to this broker/dealer? Does your firm perform any soft dollar trades?
41. Does this strategy's commingled or mutual fund(s) participate in securities lending? If so, please describe any securities lending issues that may have impacted any of this strategy's vehicles (liquidity constraints, performance issues, etc.) over the past three years. Also, please explain any changes made to your securities lending policies over the past three years.
42. What unique features of your investment approach do you feel add the most value?
43. What is your targeted performance goal for this strategy? What time frame is built into your investment philosophy to achieve this goal?
44. Approximately how long would it take your firm to fully invest a cash portfolio of \$200 million? How long would it take to sell a \$200 million allocation in the portfolio?
45. Describe the investment environments in which your strategy can be expected to: outperform the benchmark and style peers; underperform the benchmark and style peers.
46. Is there a size (number of clients or asset level) at which the firm might find it difficult to pursue its current investment strategy? Please address when the strategy will close and how this will be determined.
47. Please provide a representative client list, your three largest accounts in this strategy, and at least three client references.

48. Does any consultant, advisor, or single account represent more than 25% of this strategy's assets?
49. Does any consultant, advisor, or single account represent more than 25% of the firm's assets?
50. Please describe portfolio turnover over the past five years. What is the average, minimum, and maximum? How does name turnover compare to total turnover which includes trims/adds? Please provide the average number of portfolio transactions in the past five years.
51. What special investment procedures do you have in place for tax-sensitive clients? What level of tax efficiency has this strategy achieved? Over what time frame?
52. Does your firm manage or act as a sub-adviser for any mutual funds? Is this strategy sub-advised by an external manager?
53. What is the strategy's capacity? How is it determined and monitored?

### **Hedging Information**

54. Do you use derivative financial instruments in the portfolio? If so, what type of instruments are used and for what purpose?
55. Do you ever hold short positions in the portfolio? If so, describe how they are used in the portfolio.
56. Do you hedge currency? If so, please describe your hedging policy/strategy and current hedges in place.

### **Performance Information**

57. Please include all performance disclosures/composite descriptions.
58. Has the composite or another similar vehicle (mutual fund or commingled fund) been audited by a public accounting firm?
59. Does your composite contain back tested or simulated returns? If yes, please explain.
60. Is the firm GIPS compliant? Please explain if the firm is not GIPS compliant.
61. Do you utilize any internal or third-party performance attribution software/system? If yes, please provide a list of the systems used and their purposes and an example of an attribution analysis your firm completed for the most recent quarter end.

### **Fees**

62. In the table below, please list the type(s) of vehicles available for the proposed strategy.

Name & Type of Vehicle	Minimum Size (000's)	Number of Accounts	Total Assets In Vehicle (000's)	Domicile	Open to U.S. Investors?

63. Provide a fee schedule for the vehicles above. Indicate whether you have a performance-based fee mechanism.

64. What is your best and final fee proposal for this mandate?

**APPENDIX A**

**Oklahoma Law Enforcement Retirement System**

**Competitive Bid Standards**

Contractual services with pension fund custodians, investment managers, investment consultants and other professionals which are exempt from competitive bidding procedures of the Oklahoma Central Purchasing Act shall be chosen by a solicitation of proposals on a competitive bid basis pursuant to the following standards:

1. The Board shall approve all solicitations of proposals to be issued by the Oklahoma Law Enforcement Retirement System (the System).

2. Respondents to a proposal shall comply with the bid procedures set forth in the solicitation of proposals and these standards.
3. The Executive Director and the Board's Investment Consultant are responsible for developing a list of qualified bidders for each approved proposal, including those bidders who have registered with the Central Purchasing Division of the Oklahoma Department of Central Services.
4. Proposals will be emailed to the System's independent certified public accountant that will verify to the Board whether the solicitation is in compliance with these standards.
5. A solicitation does not commit the Board to award a contract, to pay any costs incurred in the preparation of a proposal, or to procure or contract for the proposed services.
6. The Board reserves the right to accept or reject any or all proposals received as a result of a solicitation, to negotiate with any and all qualified bidders, to select any qualified bidder to provide additional or ancillary services to the Board, or to cancel in part or in its entirety a solicitation if it is in the best interest of the System to do so.
7. The Board shall award contracts at a specified time and place, which shall be open to the public pursuant to the provisions of the Oklahoma Open Meeting Act.
8. Proposals shall be evaluated by the Executive Director and the Board's Investment Consultant, and any other person or organization as determined by the Chairmen of the Board. The Executive Director, Investment Consultant and other persons or organizations shall present the evaluations and recommendations to the Board.
9.
  - a. No member of the Board or its staff shall knowingly communicate concerning any matter relating to the contract or selection process with any party financially interested in the contract, an officer or employee of that party, or a placement agent retained or employed by that party, unless the communication is (1) part of the process expressly described in the request for proposal or other solicitation invitation, or (2) part of a noticed board meeting, or (3) as provided in subsection c. of this section. Any bidder who knowingly participates in a communication that is prohibited by this subsection shall be disqualified from the contract award.
  - b. During the evaluation of any solicitation of proposal, no party who is financially interested in a proposal, an officer or employee of that party, placement agent or a person retained or employed by that party, may knowingly communicate with any Board Member concerning any matter relating to the transaction or its evaluation, unless the financially interested party discloses the content of the communication in a writing addressed and submitted to the Executive Director and the Board prior to the Board's action on the prospective proposal. This

subsection shall not apply to communications that are part of a noticed board meeting, or as provided in subsection c of this section.

- (1) The writing shall disclose the date and location of the communication, and the substance of the matters discussed. The Board shall prescribe other procedures concerning this disclosure.
- (2) Any Board Member who participates in a communication subject to this subsection shall also have the obligation to disclose the communication to the Executive Director and the Board, prior to the Board's action on the proposal. The Board shall prescribe procedures for this disclosure, including procedures to apply to Board Members who fail to disclose communications as required by this subsection.
- (3) Consistent with its fiduciary duties, the Board shall determine the appropriate remedy for any knowing failure of a financially interested party to comply this subsection including, but not limited to, outright rejection of the prospective proposal, reduction in fee received, or any other sanction.
- (4) The communications disclosed under this subsection shall be made public, either at the open meeting of the Board in which the proposal is considered, or if in closed executive session, upon public disclosure of any closed executive session votes concerning the proposal.

c. The procedures and prohibitions prescribed by this section shall not apply to:

- (1) Communications that are incidental, exclusively social, and do not involve the System or its business, or the Board or staff member's role as a System official
- (2) Communications that do not involve the System or its business and are within the scope of the Board or staff member's private business or public office wholly unrelated to the System.

10. Proposals will be evaluated using various criteria, including but not limited to:

- 1) Bidder's demonstrated understanding of the problems and the needs of the solicitation as outlined in the proposal as well as the perceptiveness to address areas not specifically identified.
  - 2) Soundness of the bidder's approach to the problems and needs presented by the proposal including methodology for achieving specific tasks and objectives.
  - 3) Experience and capacity of bidder including recent, related experience and performance, qualification of personnel and bidder's ability to commit capable staff to support the project requested by the proposal.
- d. Cost effectiveness and reasonableness of bidder's fees.